

Small Purchase Charge Card (SPCC) Action Plan 2005

May 2005 Action Plan (Initial)

[In response to the SPCC Draft Audit Report, dated May 16, 2005]

Plan approved May 27, 2005, received May 31, 2005

Ref	Audit Report Result Title	Short Title	Summary	Due Date	Responsible Person(s)	Status	Task/Comments
1. <u>Increase VITA's Use of SPCC</u>							
1.a.	Increase VITA's Use of SPCC #1	SPCC eVA Usage	The Controller and SCM Director coordinate to allow SPCC usage in eVA.	07/01/2005	Karen Robinson/ Dana Smith	Underway	1. System work to support eVA/PeopleSoft integration 2. On-line logs 3. Ensure other VITA controls in place
1.b.	Increase VITA's Use of SPCC #2	eVA Workflow Changes	SCM Director identify the appropriate eVA persons to use a SPCC and that their workflow is edited to comply with DOA's requirements.	06/30/2005	Larry Ray	TBD	1. Review VITA eVA user list to determine who places orders and doesn't have an SPCC card 2. Recommend to supervisors that these individuals get cards 3. Assign cards and edit eVA workflow appropriately to comply with DOA requirements
1.c.	Increase VITA's Use of SPCC #3	Training	SCM Director ensure that eVA cardholders are trained and encouraged to use their cards for eVA orders whenever possible.	09/30/2005	Larry Ray	TBD	1. Develop training materials to incorporate new policy, procedures and templates and integrate with eVA ordering process 2. Perform training

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1.d.	Increase VITA's Use of SPCC #4	Exclude Telco Vendor Payments	The Controller contact DOA and request that telecommunications vendor payments be excluded from the calculation of eligible transactions and related SPCC compliance.	06/30/2005	Karen Robinson	Underway	1. Request exclusion by DOA of telecom transactions in determining compliance.
1.e.	Increase VITA's Use of SPCC #5	Gold Card	SCM Director should have an evaluation performed of the desirability of obtaining a Gold Card.	10/01/2005	J.B. Edmonds	TBD	1. Gather and analyze data pertaining to eligible transactions 2. Report findings and recommendations
2. <u>Enforce Card Sharing Prohibition</u>							
2.a	Enforce Card Sharing Prohibition #3	New Review Procedures	SCM Director ensure that there is a written SPCC Review Procedure requirement and that the results of the review be approved in writing by either the SPCC Program Administrator or the Manager of Acquisitions Services.	07/01/2005	Susan Woolley	TBD	1. Develop written SPCC review procedures 2. Identify and train VITA staff in Review procedures.
2.b.	Enforce Card Sharing Prohibition #1	Policy Revision to Address Sharing of Cards	SCM Director revise the SPCC Program Policy and Procedure to include the minimum of three month revocation consequence for card sharing as established by DOA.	07/30/2005	J. B. Edmonds	TBD	1. Update VITA SPCC Policy and Procedures aligned with DOA policy

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2.c.	Enforce Card Sharing Prohibition #2	Card Sharing Enforcement	SCM Director ensure that SCM staff enforce the prohibition against card sharing by revoking privileges for a minimum of three months, as required by DOA, if a cardholder knowingly allows another person to use the card.	08/01/2005	Susan Woolley	TBD	<ol style="list-style-type: none"> 2. Ensure audit process includes review of sharing 3. Ensure penalties for noncompliance <ul style="list-style-type: none"> – suspension or revocation of card privileges aligned with DOA
3. <u>Enforce Logging Requirements & Revise Review Frequency</u>							
3.a.	Enforce Logging Requirements & Revise Review Frequency #1	Require SPCC Log	Supply Chain Management (SCM) Director ensure that the requirement to maintain a SPCC purchase log and update it as each purchase is made is emphasized to all SPCC cardholders.	07/30/2005	Peter Batley/ Larry Ray	TBD	<ol style="list-style-type: none"> 1. Update VITA SPCC Policy and Procedures 2. Ensure the employee agreement emphasizes the logging requirement 3. Provide training on the logging requirements and the tools available for logging 4. Audit
3.b.	Enforce Logging Requirements & Revise Review Frequency #2	Ensure all Activity is Reviewed Annually	SCM Director revise the SPCC Program Policy and Procedure to ensure that all cardholders' SPCC activity is reviewed at least annually.	07/30/2005	J. B. Edmonds	TBD	<ol style="list-style-type: none"> 1. Update VITA SPCC Policy and Procedures 2. Ensure process to audit detailed cardholder activity at least once per year

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4. <u>Obtain Employee Agreements</u>							
4.	Enforce Requirements for Employee Agreement Forms #1	Signing of Employee Agreements	Supply Chain Management (SCM) Director ensure that all new and renewal SPCC cardholders, as well as their supervisors, sign Employee Agreement forms prior to receiving the cards.	06/30/2005	Peter Batley	Underway	<ol style="list-style-type: none"> 1. Request Agreement forms from those not on file 2. Failure to comply may result in loss of privilege 3. All new cards will require Agreement prior to activation of card
5. <u>Enforce Spending Limit Analysis Requirements</u>							
5.a.	Enforce Spending Limit Analyses Requirements #3	Determine Projected Usage and Limits	SCM Director take action to ensure that SCM personnel enforce the existing requirement for analysis of estimated card usage and spending limits prior to issuing a card.	08/01/2005	Susan Woolley	TBD	<ol style="list-style-type: none"> 1. Review work plans and revised policy and procedures 2. Ensure audit/review process 3. Ensure penalties for non-compliance – suspension or revocation of card privileges
5.b.	Enforce Spending Limit Analyses Requirements #1	Analysis of Usage and DOA Certification	Supply Chain Management (SCM) Director ensure that the SPCC Program Policy and Procedure is revised to require the annual card usage and spending limit analysis to be done in writing and submitted to SCM annually in time for the required certification to DOA.	06/30/2005	J.B. Edmonds	TBD	<ol style="list-style-type: none"> 1. Develop template to collect and document usage data 2. Outline process for analysis of data for certification to DOA by July 1

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5.c.	Enforce Spending Limit Analyses Requirements #2	Capture Spending Usage	SCM Director develop and implement a form to capture the card usage and spending limits analysis required initially and annually.	06/15/2005	Peter Batley/ Dana Smith	TBD	<ol style="list-style-type: none"> 1. Develop template to capture usage and limits - Determine if eVA log and new VITA automated log will meet requirement 2. Develop process for initial and annual analysis
6. <u>Restrict Purchase of Software</u>							
6.	Restrict Purchase of Software #1	Prohibit Software Purchases on SPCC	Supply Chain Management (SCM) Director prohibit the use of the SPCC for purchasing software unless written approval is obtained from SCM in advance and include this prohibition in the update of the VITA SPCC Policy and Procedures as well as other relevant SCM Policies and Procedures	07/30/2005	J. B. Edmonds	Underway	<ol style="list-style-type: none"> 1. Update VITA SPCC Policy and Procedures 2. Update other SCM policies and procedures as necessary
7. <u>Update the VITA SPCC Program Policy & Procedure</u>							
7.	Update the VITA SPCC Program Policy & Procedures #1	SPCC Enforcement	Supply Chain Management (SCM) Director update and enforce the VITA Small Purchase Charge Card Program Policy & Procedure to conform with the latest version of CAPP Manual Topic 20355.	07/15/2005	J.B. Edmonds	TBD	<ol style="list-style-type: none"> 1. Review current policy, SPCC audit and CAPP manual for gaps 2. Revise SPCC policy and procedures to ensure alignment to audit findings and CAPP manual